on the estimates given by the State Food Secretaries on 12.2.2007 during the meeting held to review arrangements for procurement of wheat in Rabi Marketing Season (RMS) 2007-08. the estimate of procurement of wheat in RMS 2007-08 for Punjab was 75 lakh tonnes. The Government Agencies (State agencies and Food Corporation of India) in Punjab have procured 67.57 lakh MTs of wheat at the rate of 850 per quintal (including a bonus of Rs. 100 per quintal) for Central Pool.

Revival of sick sugar mills

52. SHRI M.V. MYSURA REDDY: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the details of sugar mills functioning at present in the country, as on date. State-wise;

(b) the details of sugar mills lying sick during the last three years. State-wise; and

(c) whether Government have taken any steps for the revival of these sick mills and if sq. the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) Statement showing State-wise number of sugar mills which worked during the current sugar season 2006-07 is enclosed as Statement-I *(See* below).

(b) Statement showing details of the sugar mills lying sick during the last three years is enclosed as Statement-II *(See* below).

(c) It is the responsibility of the entrepreneurs to take steps to reopen/revive the closed sugar mills. The sick sugar mills belonging to private and public sectors are covered under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). Such sugar mills are required to make a reference to the Board for Industrial and Financial Reconstruction (BIFR) whenever their accumulated losses become equal to or more than the net-worth. If the rehabilitation schemes sanctioned by BIFR provide for any relief/concession from this Ministry, the scheme is considered as per the existing guidelines. As regards the cooperative sugar mills, a Committee has been constituted by the Ministry of Consumer Affairs. Food and Public Distribution (Department of Food and Public Distribution) which considers the proposals of the potentially viable sick sugar mills of this sector.

Statement-I

State-wise No. of sugar mills which worked during the current Sugar Season 2006-07 (Provisional)

SI. No.	State	Total
1	2	
1.	Punjab	16
2.	Haryana	14
3.	Rajasthan	1
4.	Uttaranchal	10

1	2	3
5.	Uttar Pradesh	131
6.	Madhya Pradesh	6
7.	Chhattisgarh	1
8.	Gujarat	18
9.	Maharashtra	165
10.	Bihar	9
11.	Assam	0
12..	Orissa	5
13.	West Bengal	1
14.	Nagaland	0
15.	Andhra Pradesh	38
16.	Karnataka	45
17.	Tamil Nadu	36
18.	Pondicherry	2
19.	Kerala	0
20.	Goa	1
	ALL-INDIA:	499

Statement-II

List of sick units

State	Private	Cooperative
Andhra Pradesh	0	9
Bihar	**3**	0
Gujarat	0	6
Haryana	0	7
Kerala	1	0
Karnataka	4	15
Madhya Pradesh	2	0
Maharashtra	2	48
Punjab	1	8
Rajasthan	1	0
Tamil Nadu	1	11
Uttaranchal	0	3
Uttar Pradesh	12	25
Orissa	1	0
TOTAL:	28	132

I.. The figures of the sick sugar mills of the cooperative sector as on 31.03.2006 have been taken from the information provided by the NABARD.

2. The figures of the sick sugar mills of the private sector as on 31.10.2006 have been taken from the information provided by the BIFR.

Food subsidy

†53. SHRI LALIT KISHORE CHATURVEDI: Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) whether it is a fact that the subsidy on foodgrains has been doubled during the last five years;

(b) the reasons therefor;

(c) whether expenditure on subsidy can be reduced by promoting the procurement through its decentralization and getting loan from NAFED by the State Governments in this regard;

(d) if so, Government's view in this regard;

(e) whether it is a fact that Central Government procure only rice and wheat out of the foodgrains at the support price through FCI;

(f) whether Central Government propose to procure the coarse foodgrains produced locally at the support price or to facilitate the States;

(g) if so, the planning of Government in this regard; and

(h) if not, the reasons therefor?

THE MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH): (a) No, Sir. The amount of food subsidy released in 2002-03 was Rs. 24176 crore while it was Rs. 23828 crore in 2006-07.

(b) Does not arise.

(c) and (d) The Government encourages decentralized procurement of foodgrains by State Governments in order to widen the scope of Minimum Support Price (MSP) operations and to ensure remunerative prices to farmers. This scheme also enables supply of foodgrains more suited to local taste in PDS and it results in savings in the transportation costs of FCI. In the last Rabi Marketing Season 2007-08, NAFED was also engaged by the FCI to procure wheat on their behalf.

(e) to (h) As per the existing policy of the Government, procurement of coarse grains for the Central Pool is undertaken by State Governments and their agencies primarily to extend the benefit of MSP to the farmers. After retaining the stocks required for consumption under TPDS, the balance stock of coarse grains are being disposed of by the FCI through open tender. The difference between the economic cost of coarse grains and the amount realized from distribution/sale of the stock is reimbursed to the State Government as subsidy.

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†Original notice of the question was received in Hindi